



ROBERT C. LARSON
HOUSING POLICY
LEADERSHIP
AWARDS

2014 WINNER

ORGANIZATION

City of Austin, Texas

YEAR OF IMPLEMENTATION

2000

AFFORDABILITY

100 percent of units affordable to households at or below 80 percent of median family income (MFI), with 12 percent serving households at 30–50 percent of MFI

NUMBER OF UNITS PRODUCED

18,406

WEBSITE

<http://housingworksAustin.org/>
www.austintexas.gov/department/imagineaustin



City of Austin

Austin, Texas, has adopted a multifaceted approach to address the challenges of providing affordable housing in the vibrant and steadily growing city. Outstanding programs include a voter-approved bond program and a city ordinance to incentivize the development of affordable housing. These efforts have yielded 18,406 units since 2000.

Austin (pop. 885,000), the capital of Texas, is a national leader in job creation, education, and research, and offers residents a high quality of life with an array of recreational and cultural amenities. Over the past two decades, in the face of rapid and steady population growth attracted to the city, Austin has also encountered corresponding increases in residential rents and home prices. To overcome the resulting squeeze on affordable housing for low-income households, Austin has pursued a multifaceted package of housing programs. These tools include the Housing Trust Fund, the Housing Bond Program, developer incentives, public/private partnerships, and impact statements.

- **Housing Trust Fund (2000).** Since 2000, the Austin City Council has directed \$8.8 million in local funds to the Housing Trust Fund (HTF). The city dedicates to the fund 40 percent of incremental tax revenues derived from private sector developments built on designated city-owned property.

- **Housing Bond Program (2006).** When 63 percent of voters approved an allocation of \$55 million, Austin for the first time in its history used general obligation bond funding for affordable housing. Through May 2012, the Housing Bond Program had created or retained 3,055 housing units, of which 73 percent are affordable to households earning 30 to 50 percent of MFI.

DEVELOPER INCENTIVES

- **S.M.A.R.T. Housing™ (2000).** S.M.A.R.T. Housing is an incentive program designed to encourage accessible, mixed-income development by providing development fee waivers and an expedited review process for developers who set aside 10 percent of housing units as affordable. (S.M.A.R.T. stands for Safe, Mixed-income, Accessible, Reasonably priced, and Transit oriented.) Units must also meet the Austin Energy Green Building Program minimum energy efficiency rating. The program has produced 15,351 units affordable to households earning 80 of MFI or less.
- **Vertical Mixed Use (2007).** Commercial design standards provide a density bonus and parking standards exemptions in exchange for 10 percent of housing units in mixed-use developments being designated as affordable. These units must be maintained as affordable for 40 years for rental, and 99 years for ownership. The program has produced 41 units to date.
- **University Neighborhood Overlay (2004).** A density bonus and entitlements are provided to developers who set aside housing as affordable in the University of Texas at Austin campus area. Two tiers of affordability are required—10 percent of units for households earning at or below 80 percent of MFI, and 10 percent of units for households at or below 65 percent of MFI. To date, 117 units have been constructed at 50 percent of MFI, ten at 65 percent of MFI, and 357 units at 80 percent of MFI.
- **The Downtown Density Bonus Program (2013) and the East Riverside Corridor Program (2013).** Height-density bonus programs encourage production of affordable

“Because of GO Bond funding, the City of Austin has reaped direct and indirect benefits including increased income (through wages), increased local taxes (both property and sales), and increased local jobs.”

Betsy Spencer
Director,
City of Austin Neighborhood Housing
and Community Development



housing in downtown Austin and in a neighborhood recommended for a future high-capacity transit route.

- **Transit-Oriented Development (2009).** Affordable housing goals have been established through individual station-area plans for areas within a half mile of the Capital Metro commuter rail stations. The overall goal is for 25 percent of all new housing units in the transit-oriented development areas to be occupied by households earning at or below 80 percent of MFI for homeownership or at or below 60 percent of MFI for rental.

PUBLIC/PRIVATE PARTNERSHIPS

- **Robert Mueller Municipal Airport Redevelopment (1996 –present).** In a key public/private partnership for the city, the Mueller development when complete will have about 1,200 housing units affordable for households earning at or below 80 percent of Austin’s MFI for ownership and 60 percent of MFI for rental.
- **Private Developer Agreements—Case by Case.** The city continues to negotiate the inclusion of affordable housing in development agreements with market-rate developers to bring affordability into developments that otherwise would be unaffordable to low- and moderate-income households. These units must remain affordable through 2020.

IMPACT STATEMENTS

- **Affordability Impact Statements (2000).** Required by Austin’s S.M.A.R.T. Housing™ ordinance, an affordability impact statement (AIS) is prepared by a city staff member for all proposed city code amendments, ordinances, and other proposed changes to identify any potential impacts on housing affordability. To date, Austin has issued more than 150 affordability impact statements.

Austin’s multifaceted approach to meeting the city’s need for affordable housing—from zoning to streamlining development approvals, transit, and green construction—provides an effective way to consider housing needs in a variety of contexts. While individual programs have an impact, it is the combination of tools that is most powerful, reflecting committed leadership from the city as well as the willingness of Austin residents to step up and vote for bonds for affordable housing.

“Austin’s commitment to providing affordable housing is strong, and our citizens expect the City of Austin to take action on this critical issue. I believe Austin’s affordable housing bond votes were successful in 2006 and 2013 because Austinites wanted to see affordable housing in all part of our city and believe we all benefit from providing affordable housing for low income families.”

Mandy DeMayo
HousingWorks Austin
Austin, Texas